

**GUAM COMMUNITY COLLEGE FOUNDATION
Board of Governors Quarterly Meeting of January 21, 2009
GCC President's Conference Room**

MINUTES

The quarterly meeting of January 21, 2009 was called to order at 3:10 p.m., by Chairperson Mr. John K. Lee. The meeting was held in the President's Office Conference Room, Guam Community College Student Services & Administration Building.

I. ROLL CALL

Members Present: Mr. John K. Lee, Chairperson, Ms. Lorraine Okada, Vice Chairperson, Ms. Josephine L. Mariano, Mr. Eduardo R. Ilaio, Mr. Joseph B. Leon Guerrero

Not in attendance: Mr. Gerard A. Cruz (schedule conflict), Ms. Gina Ramos (schedule conflict), Mr. James Martinez, (schedule conflict), Mr. Ryuji Yamaguchi (Off Island)

Others in attendance: Ms. Mary A.Y. Okada, President, Dr. Ray Somera, Academic Vice President, Ms. Carmen Santos, Business & Finance Vice President, Ms. Lolita Reyes, Asst. Director, Development & Alumni Relations.

At this time, Board members welcomed Mr. Joseph Leon Guerrero and extended appreciation for agreeing to be a member of the Board.

Additionally, with regard to Election of Officers, Chair Lee recommended that this be addressed at the next meeting. Members concurred.

II. APPROVAL OF MINUTES - Quarterly Meeting of November 12, 2008

MOTION

IT WAS MOVED BY MS. LORRAINE S. OKADA, SECONDED BY MS. JOSEPHINE L. MARIANO, THAT THE BOARD APPROVES THE MEETING MINUTES OF NOVEMBER 12, 2008, SUBJECT TO CORRECTIONS. MOTION CARRIES.

III. COMMUNICATIONS - None.

At this time, members extended congratulations to President Okada for recently obtaining her doctorate.

IV. REPORTS

1. President's Report -- President Okada reported on the following:

- President Okada apprized the Board that Vice President Santos is researching information

- that appeared on USDOE's website regarding a \$500,000 matching challenge grant available for GCC to drawdown. She indicated that this money probably is part of the 20-year matching challenge grant that the college already received and invested.
- At the last meeting the Board was informed that GCC submitted its request to the PREL Board to approve the PVEIP Grant proposal. The grant in the amount of about \$500,000 was approved and GCC is now in the process of developing its automotive and carpentry programs at the Simon Sanchez High School facility.
 - Of the \$390,000 federal grant money from Public Health, President Okada reported that \$153,000 has been received and will be used to conduct CPR and First Aid training classes on campus.
 - GCC recently received a \$50,000 check donation from TakeCare, which will be used to support GCC's Allied Health program.
 - With the support of the Governor, GCC received approximately \$943,000 from the U.S. Department of Interior for the construction of the Allied Health Center.
 - The awarding of scholarships by various organizations to GCC students in December 2008 (i.e. Bill Muna Foundation, Business Woman of the Year, etc.)
 - Referring to anticipated problems regarding the FY2010 budget, President Okada noted that the Faculty Senate and the GCC Management held a meeting to discuss and address a request made by students to hold back on the increase of tuition. This issue is to be presented to the Board of Trustees at their February or March meeting. President Okada stressed that the impact is about \$500,000 to \$600,000 depending on the number of students that register.
 - In honor of Mrs. Beatrice Blas, mother of former Lieutenant Governor Frank Blas, GCC received a \$25,000 donation.
 - The purchasing of the advancement module for Banner, which will be used by the Office of Development & Alumni Relations to set up a development campaign and an alumni database.
 - For the last six months, GCC has written and received over \$4 million in grants.
 - President Okada reported the unfortunate news regarding GCC's budget request and release of appropriations. For the first three months of FY2009 (Oct-Dec 2008), GCC only received \$1.3 million out of the \$4.8 million it requested for FY2009. She emphasized that due to GCC being able to secure some federal draw downs as well as liquidate some of its Time Certificates of Deposits (TCD), GCC was able to meet its payroll. As of yesterday, GCC received \$300,000. The President noted that if cuts are to be made at GCC the two biggest impacts that GCC would immediately identify are the loss of federal funds because GCC is not able to continue writing grants, and secondly, GCC will not be able to host students from the Guam Public School System that attend GCC classes on our campus. She emphasized that GCC receives no funds from GPSS to accommodate their students and receives no additional funds from GPSS for power and water.
 - The RFP for GCC's Land Use Plan (314 acres) is currently being developed. She emphasized that the Obama Presidential Transition Team has identified that economic stimulus is best suited when partnered or positioned through higher education. Therefore, colleges & universities across the United States will be used as a vehicle to stimulate the economy. It is expected that the amount of money that will be made available to community

- colleges will significantly be increased.
- The RFP for the removal of coral on GCC property is soon to be published.
- The Salary Study recently presented to the Board of Trustees is for the faculty only. President Okada expressed that staff positions were reviewed as well however there are certain issues that still needs to be addressed relative to the Civil Service Commission.
- GCC is reviewing positions that are currently under the purview of the Civil Service Commission (CSC). A recommendation will be made to the Board of Trustees to extract these positions from the purview of CSC and instead place them under the purview of the GCC Board of Trustees, because the duties and responsibilities of these positions are unique as it relates to higher education therefore should not be identified as a standard Government of Guam position.

2. Quarterly Investment Reports, as of November 30, 2008

Copies of the Investment Report were provided in the packet. Chair Lee noted that the Foundation's present investment portfolio is as conservative as we can make it. It is unfortunate that we are now seeing several years of our market growth disappear in a few months, therefore, we now must live within our means until the market is once again stimulated.

President Okada noted that as part of the Board's assessment process and as an audit requirement, for the next meeting the Foundation's investment policy will be on the agenda for the Board's review.

V. UNFINISHED BUSINESS

1. New Allied Health Center (update)

President Okada invited and encouraged members to swing by the construction site to see the construction progress to the Allied Health Center. She noted that due to the moratorium still in effect, the time line for the project completion date has changed therefore is expected to be completed in September 2009.

With regard to the Forensic/Crime Lab, President Okada clarified that only the land belongs to GCC. Based on the law, GCC will serve as the "clearing house" for the purchasing of collateral equipment for the building. The grand opening for the Forensic/Crime Lab building is schedule for February 10,2009 @ 10:00am. Though President Okada will be off island on this date, she extended the invitation to the members of the Board to attend.

2. New Student Center (Update)

- **Proposed Loan Schedule (Student Center & Library Project)**

President Okada noted that she met with Mr. Joe Diego from the U.S. Department of Agriculture

regarding a grant opportunity for GCC relative to the Library extension project and Student Center project. A copy of the proposed loan schedule outlining the interest rate, term, and monthly payment for each project was provided to board members. President Okada emphasized that the loan schedule is only for the building and does not include equipment or furniture.

She highlighted that the loan schedule for the Library project was broken down and based at the loan amount of \$1.5 million and \$2 million. For the Student Center, the loan schedule was broken down and based at the loan amount of \$4 million. The first loan option was based on 100% Direct Loan Financing thru USDA's Community Facility Direct Loan Program, while the second loan option was based on loan funds provided by a commercial lender and guaranteed at 90% thru USDA's Community Facility Guaranteed Loan Program.

Based on the loan schedule, President Okada suggested that the loan be secured through the Foundation or through tuition or a combination of both.

At this time, Chair Lee requested that for the next meeting a detailed cost breakdown be provided outlining the costs for construction, furniture, equipment, etc. Additionally, with regard to the architectural design, he suggested the possibility of going through a design mill. Ed Ilaio asked about the possibility of going through the Municipal Lease to finance the two projects. President Okada said that she would speak to Carlos about it and request that a proposal be put together.

VI. NEW BUSINESS - None.


VII. NEXT QUARTERLY MEETING - April 2009, 3:00pm, GCC campus. Date to be determined later.

VIII. ANNOUNCEMENTS - None.

IX. ADJOURNMENT

There being no further discussion, the meeting of January 21, 2009 adjourned at approximately 4:40p.m.

Submitted by:



LOURDES V. BAUTISTA
Recording Secretary

Approved by:



MAR 25 2009

JOHN K. LEE
Chairperson